

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO
RICO,

as representative of

THE COMMONWEALTH OF PUERTO
RICO, *et al.*

Debtors¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

RESPONSE TO ORDER TO SHOW CAUSE

TO THE HONORABLE COURT:

COMES NOW, Munger, Tolles & Olson, LLP (“MTO”), through the undersigned legal counsel, who respectfully responds to this Court’s *Order To Show Cause Regarding Non-Compliance With The Puerto Rico Recovery Accuracy In Disclosures Act And The Court’s Orders Related Thereto* [ECF No. 21902] as follows:

On August 30, 2022, MTO filed the disclosures required by section 2(b)(1) of the Puerto Rico Recovery Accuracy in Disclosures Act, Pub. L. No. 117-82 (“PRRADA”). MTO filed

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); and (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686).

these after the extended deadline of July 15, 2022. The delay in filing the required disclosures is entirely the fault of MTO. We had completed the work for which we were engaged. While we had not filed a final fee application, we mistakenly thought the PRRADA disclosures only applied to professionals who were continuing to render ongoing services. Proskauer contacted MTO on July 11, 2022 and informed us that we are subject to the disclosures under PRRADA. MTO undertook the search for connections with the Material Interested Parties. Those searches were submitted to MTO's conflicts department on July 15 and were completed by the conflicts department last week. MTO then prepared the disclosures as quickly as possible, and filed them on August 30, 2022.

MTO respectfully asks the Court not to deny any future applications for payment of fees or reimbursement of expenses. MTO misunderstood the application of PRRADA to its past fees and expenses, and did not appreciate the significance of the July 15, 2022 deadline for PRRADA disclosures. MTO has now remedied that situation and made the disclosures. MTO prays that the Court will excuse MTO's failure to timely file the PRRADA disclosures.

Dated: August 30, 2022

Respectfully submitted,

/s/ Donald B. Verrilli, Jr

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